

Appendix D

Relocation Assistance Program

US 301 Project Development



***Federal Highway
Administration***



***Delaware Department
Of Transportation***

Summary of the Relocation Assistance Program of the Delaware Department of Transportation

All Delaware Department of Transportation projects utilizing Federal funds must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601) as amended by Title IV of the Surface Transportation and Uniform Relocation Act of 1987 (Public Law 100-17), Public Law 105-117 in 1997, and Title 49 CFR Part 24 in 2005. State-funded projects must also comply with the provisions of the Delaware Code Title 29, Chapter 93, Uniform Relocation Assistance.

In the above referenced Federal and State laws, the Delaware Department of Transportation is required to provide relocation services and payments to eligible persons who are displaced by a public project. Only citizens or non-citizen nationals in the United States of America may be considered eligible and will be assigned a Relocation Counselor upon verification of eligibility. Those persons that qualify as a displaced person maybe entitled to a replacement housing payment, moving costs and related expenses as well as relocation advisory services. Additionally displaced residential persons may be eligible for reimbursement for certain miscellaneous expenses incurred in moving as provided for solely under the Delaware relocation assistance statute . The Delaware Department of Transportation will determine all maximum payments amounts. The Delaware Department of Transportation's, Division of Planning, Real Estate Services Section administers the Relocation Assistance Program.

Residential Displacements

Residential occupants who are required to move must be provided the ability to relocate to a comparable replacement dwelling that is decent, safe, and sanitary, and functionally equivalent to present dwelling. Replacement housing payments are made to both owner occupants and tenant occupants. An owner occupant may receive payments for a purchase supplement, incidental expenses and mortgage interest differential, rental assistance or downpayment assistance.

There are three basic length-of-occupancy requirements which determine the type of replacement housing payment a displaced person is entitled to, and they are: owner occupants of 180 days or more, and owner occupants of 90 to 179 days and tenants of 90 days or more. Length-of-occupancy in most instances, is defined as the number of days of residence in the dwelling before the initiation of negotiations by the Delaware Department of Transportation for the purchase of the property.

Purchase Supplement

Owners who were in occupancy 180 days or more prior to the initiation of negotiations may be eligible for a purchase supplement payment of up to \$22,500 in addition to the fair market value of property acquired.

The purchase supplement is the amount by which the cost of a replacement dwelling exceeds the acquisition cost of the replacement dwelling.

Incidental Expenses

180-day owner occupants are also eligible for reimbursement of incidental expenses such as, but are not limited to, costs incurred for a title search, recording fees, and other closing costs (excluding real estate taxes and property insurance).

Mortgage Interest Differential

180-day owners occupants may also be reimbursed for the increased mortgage interest costs if the interest on the new mortgage exceeds that of the previous mortgage.

Rental Assistance

Owners who have been in occupancy from 90 to 179 days, or tenants of 90 days prior to the initiation of negotiations are eligible for a rental assistance payment of up to \$5,250. This payment is designed to enable the displaced person to rent a comparable, decent, safe and sanitary dwelling for a 42 month period.

Persons who are in occupancy at the initiation of negotiations, but less than 90 days prior to that date are still considered a displaced person entitled to relocation assistance advisory services and moving payments, and may also be entitled to a rental assistance payment if comparable replacement rental housing is not available within their financial means. Under this circumstance a displaced person's rental assistance payment would be an amount that exceeds the base monthly rent for the displacement dwelling to rent a replacement dwelling as determined by the Department of Transportation. Such rental assistance would be paid under the provisions of replacement housing of last resort.

Downpayment

Like rental assistance, owners who have been in occupancy from 90 to 179 days, or tenants of 90 days prior to the initiation of negotiations are eligible for a rental assistance payment or a downpayment of up to \$5,250. However, the payment for a displaced owner cannot exceed the amount of the payment that would be received by a 180-day owner occupant for the same property. Owners and tenants may also be eligible for reimbursement of incidental expenses such as costs incurred for a title search, recording fees, and other closing costs (excluding real estate taxes and property insurance).

Residential Moving Cost Reimbursement

Displaced individuals and families may choose to be paid on the basis of actual reasonable moving and related expenses, or according to a fixed moving cost schedule.

For actual reasonable moving costs, displaced persons can choose to utilize a professional mover or move themselves, but reimbursement is limited to a 50 mile distance. Other related moving expenses include packing and unpacking, temporary storage, transportation, and moving insurance. All expenses must be considered necessary and

reasonable by the Delaware Department of Transportation and be documented by paid receipts, or other evidence of expenses incurred.

Owners and tenants of the State of Delaware displaced from a residential dwelling by a program or project can be eligible to receive reimbursement for miscellaneous expenses incurred within thirty days of moving from the displaced dwelling if not otherwise authorized under the State of Delaware relocation assistance statute. In no event shall payment from the Delaware Department of Transportation exceed 1% of the appraised residential value of the residence acquired.

Fair Housing

The Fair Housing Law (actually Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights act of 1968) sets forth the policy of the United States of America to provide, within constitutional limitations, for fair housing throughout the United States of America. These acts and Executive Order 11063 make discriminatory practices in the purchase and rental of most residential units illegal based on race, color, religion, sex, or national origin.

Whenever possible, minority persons shall be given reasonable opportunities to relocate to decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means. This policy, however, does not require the Delaware Department of Transportation to provide a displaced person with a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling outside of an area of minority concentration.

Nonresidential Displacements

Nonresidential displacements, business, farm or nonprofit organization, may be eligible for the reimbursement of moving expenses, loss of tangible personal property, searching expenses or a fixed payment in lieu of actual moving expenses. A small business as defined may be eligible for reimbursement for certain reestablishment expenses not to exceed \$22,500.00

Nonresidential Moving Cost Reimbursement

Displaced businesses, farms, or nonprofit organizations are also entitled to reasonable moving expenses. Like residential displacements there are two types of payment; businesses, farms, or nonprofit organizations between two payment types. The types of payments available are actual reasonable moving costs or a fixed payment in lieu of moving costs.

Actual Reasonable Moving Costs

Actual reasonable moving costs can be paid if moved by a professional mover or if nonresidential displaced person elects to move on their own. Related expenses can also be covered which include direct loss of tangible property that occurred as a result of the

move or discontinuation of the operation, reestablishment expenses, and expenses incurred while searching for a replacement property (not to exceed \$2,500.00).

Under the actual reasonable moving costs, a small business, farm or nonprofit organization may be eligible for a payment, not to exceed \$22,500 for expenses actually incurred in relocating and reestablishing the enterprise at a replacement site. To qualify, the business, farm or nonprofit organization must not have more than 500 employees working at the site being acquired or displaced by the Delaware Department of Transportation, and is a site of economic activity. Sites solely occupied by outdoor advertising signs, displays, or devices do not qualify as a small business.

Fixed Payment in Lieu of Actual Moving Costs

The non-residential displaced person may also be eligible for a fixed payment in lieu of actual moving and other related expenses. The fixed payment is based upon the average annual net earnings of the operation for the two taxable years immediately preceding the taxable year in which it was displaced, or within a two year period deemed more representative by the Delaware Department of Transportation.

The fixed payment may not be less than \$1,000 or more than \$20,000, and several criteria must be met to be eligible for this type of payment. Any business that is solely engaged in the rental of space for residential or business purposes is not eligible for this type of payment.

Housing of Last Resort

Federal and State law require that the Delaware Department of Transportation shall not proceed with any phase of the project which will cause relocation of any persons, or proceed with any construction project, until it has furnished satisfactory assurances that the above payment will be provided, and that all displaced persons will be satisfactorily relocated to comparable decent, safe and sanitary housing within their financial means, or that such housing is in place and has been made available to the displaced persons.

On most projects, an adequate supply of housing will be available for sale or rent, and the benefits provided will be sufficient to enable displaced persons to relocate to comparable replacement housing. However, there may be projects in certain locations where the supply of available housing is insufficient to provide the necessary housing for those persons being displaced. When a housing shortage occurs, the Delaware Department of Transportation will implement the administrative process called Housing of Last Resort by providing additional or alternative assistance required to assure that all residential occupants displaced have the ability to move to comparable, decent, safe and sanitary housing.



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
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CAROLANN WICKS, P.E.
SECRETARY

MEMORANDUM

TO: Bill Hellmann
Partner Emeritus
Rummel, Klepper & Kahl, LLP

VIA: V. Wayne Rizzo 
Assistant Director of Planning, Real Estate Services

VIA: Carol O'Donoghue 
Assistant Chief, Real Estate

FROM: Thomas D. Nickel 
North District Real Estate Manager

RE: US 301 Green North Alternative
Relocation Plan

This project starts at the Delaware/Maryland state lines below Middletown, Delaware and continues in a northerly and northeasterly direction to the Chesapeake and Delaware Canal. There are several alternatives to this project. For the purpose of this Relocation Plan we are looking at only one (Green North Alternative, work in progress) alternative. This Relocation Plan is being developed with assumptions from the work in progress plan supplied by RK&K Engineering firm. **No contact was made with the public in formulation of this Relocation Plan.** Starting at the southern end of this alternative on the Maryland/Delaware state line, and continuing north there are approximately thirty-five (35) total acquisitions. Of the total acquisitions twenty-seven (27) appear to be residential properties with 180-day homeowner/occupants. The dwelling types of these twenty-seven (27) range from small ranch homes to large two story colonials. Ages range from construction in the early 1950's to new construction. Parcel sizes range from small (less than one acre) to large acreage (more than 10 acres). Several parcels have improvements including outbuildings (barn structures) housing

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animals from horses to small animals. At least two (2) of the twenty-seven (27) properties have mobile homes on the properties. The residential properties are identified below:

13-012.00-010 with mobile home	13-012.00-038
13-012.00-036	13-012.00-102
13-012.00-098	13-017.00-007
13-012.00-103	13-017.00-013
13-017.00-012	13-017.00-084 with mobile home
13-017.00-083	13-017.00-086 existing building permit
13-017.00-085 existing building permit	13-017.00-107
13-017.00-087	13-017.00-119 new house permit issued
13-017.00-116 has older home/being subdivided	13-017.00-121 new construction
13-017.00-120 undergoing subdivision	13-017.00-127 undergoing subdivision
13-017.00-126 undergoing subdivision	13-026.00-006
13-017.00-129 undergoing subdivision	
13-026.00-012 vacant residential	14-010.00-002 vacant residential
14-010.00-015 vacant residential	14-010.00-025 vacant residential

In prioritizing the residential properties with the appraisal and acquisition process the properties at the forefront would be tax parcels 13-017.00-085, 086, 107, 116, 119, 120, 121, 126, 127, 129, as these properties are actively going through the subdivision process and/or having homes constructed on them. While they are not occupied at this time, they are being or will be improved with large (in the 3,000 to 5,000 square foot range) homes within the reasonable near future. This would require time and with a high degree of certainty the utilization of housing of last resort to relocate these displacees. The second group in order of priority are more average dwellings but with amenities that will have to be address in the relocation process. This group includes tax parcels 13-012.00-010 and 13-017.00-084 as they have mobile homes on the sites. It will be important to determine if these mobile homes are personality or realty early on since the relocation concerns differ depending how the ownership is held. The last group in order of priority is tax parcels 13-012.00-036, 038, 098, 102, 103, 13-017.00-007, 012, 013, 083, 087, 13-026.00-006 and 13-010.00-002, 015, 025 these are vacant residential.

It would seem that with the development in this area that it will not be hard to find replacement housing, although the replacement housing may not have the acreage that the homeowners once had and this could become an issue. Also without interviewing the homeowners it was not possible to know if there are or will be special transportation issues, handicap issues, school issues, or the need to be near medical services and stores. Without answers to these questions it is hard to develop a plan to address the needs of the displacees.

There are approximately eight (8) commercial properties. These properties include a small homes converted to an office use, a Gas station, a Daycare facility, a possible Religious Outreach facility, and a water utility facility with a well field and treatment site. The commercial properties are identified below:

13-012.00-036 Amazing Grace Outreach – Tenant occupied (storage building/shed sales site)
13-012.00-106 Tidewater Utilities
13-017.00-037 Residence converted to office
13-017.00-043 Daycare Center
13-026.00-010 Vacant commercial
14-010.00-016 Gas Station
14-010.00-026 Vacant commercial (DP&L)
14-010.00-028 Vacant commercial

Of the commercial properties without interviews we cannot determine if they are owner occupied or tenant occupied.

In prioritizing the commercial properties with the appraisal and acquisition process they would be:

(1) Tax parcel 13-012.00-106, Tidewater Utility. Because of the nature of this property (three deep wells, storage/treatment facility) it will be very expensive (possible \$5,000,000) and time consuming (possibly three to five years) to relocate this user. As this owner/user is a water service provider to several residential subdivisions in the area, it is vitally important to consider the potential disruption of potable water to all affected recipients of services. In order to maintain the current level of service a new fully operational “sister” facility would be required prior to shutdown of the existing facility. (2) The next commercial property would be tax parcel 13-017.00-043. This is a daycare facility requiring enough lead-time to find suitable property. They would need to be very close to the current location so as to serve their client base. Again this could take 2 years. (3) Next would be tax parcel 14-010.00-016, the Gas Station. As with this type of property the risk of soil contamination is always great. So it could possibly take several years to find suitable replacement property and years to clean up the old property. (4) The next property would be tax parcel 13-012.00-036. This is the Amazing Grace Outreach. Currently this does not have any permanent improvements but is being utilized as a site for the display and sale of small storage building and shed structures. It is anticipated the parcel will be improved with a community based outreach facility. This again could take a year to find a suitable property with all the amenities for this particular type of facility. (5) Then would be tax parcel 13-017.00-037. This is a residence that has been converted into office. For this instant property there appears to be an adequate market for this type of property. (6, 7 and 8) And last there are tax parcels 13-026.00-010, 13-010.00-026, 028 that are vacant commercial property.

In summation, the residential and non-residential relocations will pose some difficulties. For the residential relocations replacement housing is available in the market place with an anticipation of at least one to two years to relocate displacees and utilization of housing of last resorts for the majority of the residential displacees. The non-residential relocations will encounter some unusual concerns due to the types of commercial properties/business enterprises displaced by the proposed project. It is anticipated the non-residential relocation plan will take more time, possibly up to five years, with above average expenses due to the type of commercial enterprises or businesses displaced and potential special needs of several displaced businesses.

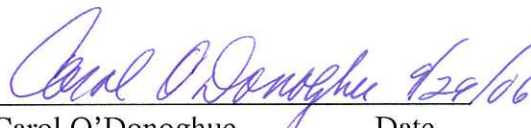
This preliminary relocation plan was completed with current market conditions as of September 25, 2006 and will need to be updated when final plans and route are selected and completed. Also, in the event the scope of the project changes to include more or less displacees, a revised relocation plan will need to be completed.

Approved:

 10/02/06


Wayne Rizzo Date
Assistant Director of Planning

Approved:

 9/29/06

Carol O'Donoghue Date
Assistant Chief, Real Estate

Approved:

 9-29-06

Tom Nickel Date
North District Real Estate Manager